

Docket No.: 07-0191
Bench Date: 06-27-07
Deadline: 02-15-08

M E M O R A N D U M

TO: The Commission

FROM: John D. Albers, Administrative Law Judge

DATE: June 14, 2007

SUBJECT: FairPoint Communications, Inc., C-R Telephone Company d/b/a FairPoint Communications / C-R Telephone Company, The El Paso Telephone Company d/b/a FairPoint Communications / The El Paso Telephone Company, Odin Telephone Exchange, Inc. d/b/a FairPoint Communications / Odin Telephone Exchange, Inc., and Yates City Telephone Company d/b/a FairPoint Communications / Yates City Telephone Company

Joint Application for approval of the Reorganization of FairPoint Communications, Inc. pursuant to Sections 7-203 and 7-204 and for other relief.

RECOMMENDATION: Enter the attached Order granting the requested relief.

On March 15, 2007, FairPoint Communications, Inc. ("FairPoint"), C-R Telephone Company d/b/a FairPoint Communications/C-R Telephone Company, The El Paso Telephone Company d/b/a FairPoint Communications/The El Paso Telephone Company, Odin Telephone Exchange, Inc., d/b/a FairPoint Communications/Odin Telephone Exchange, Inc., and Yates City Telephone Company d/b/a FairPoint Communications/Yates City Telephone Company ("Yates City") filed a verified Joint Application for approval of transactions and agreements that result in a change of ownership of more than 50% of the voting capital stock of FairPoint. The transaction involves FairPoint acquiring by merger certain assets and customer relationships of Verizon Communications, Inc. related to the provision of local exchange, exchange access, and interexchange services in the states of Maine, New Hampshire, and Vermont. The Joint Application sought approval of the transactions as a transfer of control in accordance with Section 7-203 of the Public Utilities Act and a reorganization in accordance with Section 7-204 of the Act.

Commission Staff recommends that the Joint Application be granted. No petitions to intervene were received. The attached Order which is nearly identical to a

draft order submitted by the Applicants following Staff's review, grants the requested relief. The deadline for Commission action is February 15, 2008.

Please note that FairPoint is in the process of selling its Yates City operations to Mid-Century Cooperative, Inc. This transaction is the subject of Docket No. 07-0237, which is also on the Commission's June 27, 2007 Bench Session agenda. If the sale of Yates City's operations is approved and completed, references to Yates City in the attached Order will be moot.

JDA